(a) to each class of [Class 3-AV] Notes in the priority described below, until the note principal balances thereof are reduced to zero, and

(b) to each class of [Class 2-AV] Notes (after the payments described in clause (a) of the preceding bullet point) in the priority described below, until the note principal balances thereof are reduced to zero;

- from any remaining loan group [2] and loan group [3] principal distribution amounts, sequentially, in order of their seniority, to each class of [adjustable rate subordinate notes], until the note principal balance of each class is reduced to zero; and
- from any remaining loan group [2] and loan group [3] principal distribution amounts, as part of the adjustable rate loan group excess cashflow.

In general, on any distribution date on or after the adjustable rate stepdown date and so long as no adjustable rate trigger event is in effect, the loan group [2] and loan group [3] principal distribution amounts will be distributed in the following order:

- [up to the [Class AV] principal distribution target amount, pro rata based on the related [Class AV] principal distribution allocation amount for the [Class 2-AV] Notes and the [Class 3-AV] Notes, respectively, concurrently, to (a) each class of [Class 2-AV] Notes, in an amount up to the [Class 2-AV] principal distribution amount in the order and priorities set forth below, until the note principal balances thereof are reduced to zero, and (b) each class of [Class 3-AV] Notes, in an amount up to the [Class 3-AV] principal distribution amount in the order and priorities set forth below, until the note principal balances thereof are reduced to zero; and after the aggregate note principal balance of the [Class 2-AV] or [Class 3-AV] Notes has been reduced to zero, any remaining unpaid [Class AV] principal distribution target amount will be distributed to the remaining [Class AV] Notes in the order and priorities set forth below for those notes;]
- sequentially, in order of their seniority, to each class of [adjustable rate subordinate notes], the adjustable subordinate class principal distribution amount for that class until the note principal balance thereof is reduced to zero; and
- as part of the adjustable rate loan group excess cashflow.

[Class 2-AV Notes:]

Generally, for each distribution date, amounts to be distributed to the [Class 2-AV] Notes will be distributed concurrently, to the [Class 2-AV-1] and [Class 2-AV-2] Notes, pro rata, based on the note principal balances thereof, in each case until the note principal balances thereof are reduced to zero; but, if a group [2] sequential trigger event is in effect, principal will be distributed to the [Class 2-AV-1] and [Class 2-AV-2] Notes, sequentially, in that order, in each case until the note principal balance thereof is reduced to zero.

A group [2] sequential trigger event is, prior to the distribution date [ ] 200[ ], a separate trigger based on the loss experience of the group [2] mortgage loans, and on or after the distribution date in [ ] 200[ ], an adjustable rate trigger event. The group [2] sequential trigger event is described in more detail under "Description of the Notes -- Distributions --

Distributions of Principal Distribution Amounts for Loan Group [2] and Loan Group [3]" in this prospectus.

[Class 3-AV Notes:]

Generally, for each distribution date, amounts to be distributed to the [Class 3-AV] Notes will be distributed sequentially, to the [Class 3-AV-1], [Class

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3-AV-2], [Class 3-AV-3] and [Class 3-AV-4] Notes, in that order, in each case until the note principal balance thereof is reduced to zero. However, if on any distribution date, the aggregate note principal balance of the [Class AV] Notes exceeds the aggregate the stated principal balance of the group [2] and group [3] mortgage loans and any remaining loan group [2] and loan group [3] pre-funded amount, and the aggregate note principal balance of the [Class 3-AV] Notes exceeds the stated principal balance of the group [3] mortgage loans and any remaining loan group [3] pre-funded amount, the [Class 3-AV] Notes will receive payments of principal pro rata based on the note principal balances thereof.

[Excess Cashflow]

Excess cashflow generally refers to the remaining amounts (if any) available for distribution to the notes after interest and principal distributions have been made. [The [Class AF] and [fixed rate subordinate notes] may also be allocated certain excess amounts related to fixed rate credit comeback loans. Fixed rate credit comeback loans are loans that provide borrowers the potential of certain mortgage rate reductions for good payment history as described in more detail under "The Mortgage Pool -- General -- Additional Information Regarding the Fixed Rate Mortgage Loans" in this prospectus supplement.]

Generally, excess cashflow from loan group [1] will be allocated to the [Class AF] Notes and the [fixed rate] subordinate notes and excess cashflow from loan group [2] and loan group [3] will be allocated to the [Class AV] Notes and the [adjustable rate] subordinate notes, however, if there is excess cashflow remaining after certain distributions on the related classes of notes, a portion of the excess cashflow may be allocated to an unrelated class of notes as described in this prospectus supplement under "Description of the Notes -- Overcollateralization Provisions."

Loan Group [1]

In general, on any distribution date, the loan group [1] excess cashflow (if any) (referred to as fixed rate excess cashflow) will be distributed in the following order:

- to each class of [Class AF] Notes and [fixed rate subordinate notes], in the same priority as described above with respect to payments of principal, the amount necessary to meet the target overcollateralization level with respect to loan group [1] (referred to as the fixed rate

overcollateralization target amount);

- to the [fixed rate subordinate notes] sequentially, in order of their seniority, any interest carry forward amount and unpaid realized loss amount for each class, in that order;

- to each class of [Class AF] Notes and [fixed rate subordinate notes] (in the case of the [Class AF-1A] Notes, after payments of amounts available (if any) under the related corridor contract), pro rata, to the extent needed to pay any unpaid net rate carryover for the [Class AF] Notes and [fixed rate subordinate notes];

- if the target overcollateralization amount with respect to loan group [2] and loan group [3] (referred to as the adjustable rate overcollateralization target amount) has been previously met, to each class of [Class AV] Notes and [adjustable rate subordinate notes], in the same priority as described above with respect to payments of principal, the amount necessary to meet the adjustable rate overcollateralization target amount, to the extent not paid from adjustable rate excess cashflow;

- to the [Class 2-AV-2] Notes and the [adjustable rate subordinate notes] sequentially, in order of their seniority, any unpaid realized loss amount for each class, to the extent not paid from adjustable rate excess cashflow;

- to the carryover reserve fund, the required carryover reserve fund deposit; and

- to the Owner Trust Certificate, as specified in the sale and servicing agreement.

Loan Group [2] and Loan Group [3]

In general, on any distribution date, the loan group [2] and loan group [3] excess cashflow (if any) (referred to as adjustable rate excess cashflow) will be distributed in the following order:

- to each class of [Class AV] Notes and [adjustable rate subordinate notes], in the same priority as described above with respect to payments of principal, the amount necessary to meet the adjustable rate overcollateralization target amount;

- to the [Class 2-AV-2] Notes and the [adjustable rate subordinate notes] sequentially, in order of their seniority, any interest carry forward amount

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and unpaid realized loss amount for each class, in that order;

- to each class of [Class AV] Notes and [adjustable rate subordinate notes] (after payments of amounts available (if any) under the related corridor contract), pro rata, to the extent needed to pay any unpaid net rate carryover for the [Class AV] Notes and [adjustable rate subordinate notes];

- if the fixed rate target overcollateralization amount has been previously met, to each class of [Class AF] Notes and [fixed rate subordinate notes], in the same priority as described above with respect to payments of principal, the amount necessary to meet the fixed rate overcollateralization target amount to the extent not paid from fixed rate excess cashflow;

- to the [fixed rate subordinate notes] sequentially, in order of their seniority, any unpaid realized loss amount for each class to the extent not paid from fixed rate excess cashflow;

- to the carryover reserve fund, the required carryover reserve fund deposit;

- if a [Class 3-AV-1] acceleration event is in effect, to the [Class 3-AV-1] Notes, the [Class 3-AV-1] acceleration amount; and

- to the Owner Trust Certificate, as specified in the sale and servicing agreement.

[Class 3-AV-1 Target Amount:]

After the distribution date in [ ] 20[ ], if the note principal balance of the [Class 3-AV-1] Notes after all other distributions of principal exceeds a specified target amount (referred to as a [Class 3-AV-1] acceleration event), remaining adjustable rate excess cashflow in the priority shown above will be allocated to the [Class 3-AV-1] Notes to reduce the note principal balance of the [Class 3-AV-1] Notes to the targeted level.

See "Description of the Notes -- Overcollateralization Provisions" in this prospectus supplement.

Credit Enhancement

Credit enhancements provide limited protection to holders of certain notes against shortfalls in payments received on the mortgage loans. This transaction employs the following forms of credit enhancement:

[Overcollateralization]

"Overcollateralization" refers to the amount by which the aggregate stated principal balance of the mortgage loans in a loan group or groups and any remaining related pre-funded amount, exceeds the aggregate note principal balance of the related classes of notes.

On the closing date, it is expected that:

- the sum of the aggregate stated principal balance of the group [1] mortgage loans and any amounts on deposit in the pre-funding account in respect of loan group [1] will exceed the initial aggregate note principal balance of the [Class AF] Notes and the [fixed rate subordinate notes] by approximately $[ ]; and

- the sum of the aggregate stated principal balance of the group [2] and

group [3] mortgage loans and any amounts on deposit in the pre-funding account in respect of loan group [2] and loan group [3] will exceed the initial aggregate note principal balance of the [Class AV] Notes and the [adjustable rate subordinate notes] by approximately $[ ].

However, these amounts are less than the required initial levels of overcollateralization required by the sale and servicing agreement.

The mortgage loans in each loan group are expected to generate more interest than is needed to pay interest on the related notes because the weighted average interest rate of the mortgage loans is expected to be higher than the weighted average interest rate on the related notes, plus the weighted average expense fee rate, and in the case of loan group [1] and the [Class AF-5B] Notes, the [Class AF-5B] policy premium rate. The "expense fee rate" is the sum of the servicing fee rate and the indenture trustee fee rate. Any interest payments received in respect of the mortgage loans in a loan group in excess of the amount that is needed to pay interest on the related notes, the issuing entity's expenses, and in the case of loan group [1], the [Class AF-5B] policy premium, will be used to reduce the total note principal balance of the related notes, until the required level of overcollateralization has been achieved and to maintain the required levels, once they have been met.

On any distribution date, the amount of overcollateralization (if any) for each loan group or loan groups will be available to absorb the losses from liquidated mortgage loans that would otherwise

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be allocated to the related notes, if those losses are not otherwise covered by excess cashflow (if any) from the related mortgage loans. The required levels of overcollateralization may change over time.

See "Description of the Notes--Overcollateralization Provisions" in this prospectus supplement.

Subordination

The issuance of senior notes and subordinate notes by the issuing entity is designed to increase the likelihood that senior noteholders will receive regular payments of interest and principal.

The [Class AF] Notes will have a payment priority over the [fixed rate subordinate notes]. The [Class AV] Notes will have a payment priority over the [adjustable rate subordinate notes]. With respect to the [fixed rate subordinate notes], the [Class MF] Notes with a lower numerical designation will have a payment priority over [Class MF] Notes with a higher numerical designation, and all the [Class MF] Notes will have a payment priority over the [Class BF] Notes. With respect to the [adjustable rate subordinate notes], the [Class MV] Notes with a lower numerical designation will have a payment priority over [Class MV] Notes with a higher numerical designation and all the [Class MV] Notes will have a payment priority over the [Class BV] Notes.

Subordination is designed to provide the holders of notes having a higher payment priority with protection against losses realized when the remaining unpaid principal balance of a mortgage loan exceeds the proceeds recovered upon the liquidation of that mortgage loan. In general, this loss protection is accomplished by allocating realized losses among the subordinate notes related to the loan group or loan groups, beginning with the related subordinate notes with the lowest payment priority. In addition, if the note principal balances of the [adjustable rate subordinate notes] are reduced to zero as a result of the allocation of realized losses, any additional realized losses on the group [2] mortgage loans will be allocated to the [Class 2-AV-2] Notes until the note principal balance of that class is reduced to zero.

Excess cashflow from a loan group will be available [to restore the overcollateralization for the other loan group or loan groups and,] to pay unpaid realized loss amounts to the subordinate notes related to the other loan group and, in the case of loan group [2], to pay unpaid realized loss amounts to the [Class 2-AV-2] Notes, in each case, to the extent available and in the priority described in this prospectus supplement. However, realized losses on the mortgage loans in a loan group or loan groups will be allocated solely to the classes of subordinate notes related to that loan group and, in the case of loan group [2], to the [Class 2-AV-2] Notes.

[The Corridor Contracts]

[   ] has purchased four interest rate corridor contracts, each of which will be assigned to [   ], in its capacity as corridor contract administrator, on the closing date:

o   the [Class AF-1A] corridor contract;

o   the [Class 2-AV] corridor contract;

o   the [Class 3-AV] corridor contract; and

o   the [adjustable rate subordinate] corridor contract.

[On or prior to the applicable corridor contract termination date, the corridor contract counterparty will be required to make monthly payments to the corridor contract administrator, if one-month LIBOR for the related payment date moves above a specified rate, subject to a maximum rate of payment. Payments made under each corridor contract will be made to the corridor contract administrator and allocated between the issuing entity and [ ] as described in "Description of the Notes -- The Corridor Contracts" in this prospectus supplement.]

The amounts allocated to the issuing entity in respect of a corridor contract will be available to the applicable class(es) of notes, as described in this prospectus supplement to cover net rate carryover resulting from the application of the applicable net rate cap to the related interest rate(s).

Any amounts received in respect of a corridor contract and allocated to the issuing entity for a distribution date that are not used on that date to cover net rate carryover on the related notes are expected to be distributed to [the holder of the Owner Trust Certificate] as provided in the sale and servicing agreement and will not be available thereafter for payment of net rate carryover on any class of notes.

Although ongoing payment are not required under the corridor contracts, certain termination payments may be required as described in "Description of the Notes

-- The Corridor Contracts" in this prospectus supplement.

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[Class AF-5B Note Guaranty Insurance Policy]

The [Class AF-5B] Notes have the benefit of a note guaranty insurance policy, called the [Class AF-5B] policy, pursuant to which [ ] will unconditionally and irrevocably guarantee certain payments on the [Class AF-5B] Notes on each distribution date subject to certain terms and conditions set forth in the [Class AF-5B] policy. The [Class AF-5B] policy will not cover any class of Notes other than the [Class AF-5B] Notes.

See "Description of the Notes -- The [Class AF-5B] Note Guaranty Insurance Policy" in this prospectus supplement.

Allocation of Losses

[After the credit enhancement provided by excess cashflow and overcollateralization (if any) have been exhausted,] collections otherwise payable to related subordinate classes will comprise the sole source of funds from which credit enhancement is provided to the related senior notes, [except for the [Class AF-5B] Notes which will also have the benefit of the [Class AF-5B] Policy]. Realized losses of a particular loan group or loan groups are allocated to the related subordinate notes, beginning with the related subordinate notes with the lowest payment priority, until the principal balance of that related subordinate class has been reduced to zero. [If the aggregate note principal balance of the [adjustable rate subordinate notes] has been reduced to zero, realized losses on the group [2] mortgage loans will be allocated to the [Class 2-AV-2] Notes until the note principal balance of that class is reduced to zero.] Losses will not be allocated to the senior notes [(other than the [Class 2-AV-2] Notes)], however, if the aggregate note principal balance of the subordinate classes [and the [Class 2-AV-2] Notes] were to be reduced to zero, delinquencies and defaults on the mortgage loans in the related loan group or loan groups would reduce the amount of funds available for monthly distributions to the holders of the related remaining senior notes.

Advances

The master servicer will make cash advances with respect to delinquent payments of principal and interest on the mortgage loans to the extent that the master servicer reasonably believes that the cash advances can be repaid from future payments on the related mortgage loans. These cash advances are only intended to maintain a regular flow of scheduled interest and principal payments on the notes and are not intended to guarantee or insure against losses.

See "Servicing of the Mortgage Loans -- Advances" in this prospectus supplement.

Repurchase, Substitution and Purchase of Mortgage Loans

The sellers may be required to repurchase, or substitute, a replacement

mortgage loan for any mortgage loan as to which there exists deficient documentation or as to which there has been an uncured breach of any representation or warranty relating to the characteristics of the mortgage loans that materially and adversely affects the interests of the noteholders in that mortgage loan.

Additionally, the [master servicer] may purchase from the issuing entity any mortgage loan that is delinquent in payment by [150] days or more.

The purchase price for any mortgage loans repurchased or purchased by a seller or the master servicer will be generally equal to the stated principal balance of the mortgage loan plus interest accrued at the applicable mortgage rate (and in the case of purchases by the master servicer, less the servicing fee rate).

See "The Mortgage Pool -- Assignment of the Mortgage Loans" and "Description of the Notes -- Optional Purchase of Defaulted Loans" in this prospectus supplement and "Loan Program -- Representations by Sellers; Repurchases" in the prospectus.

Optional Termination

The [master servicer] may purchase all of the remaining assets of the issuing entity on any distribution date on or after the first distribution date on which the aggregate stated principal balance of the mortgage loans and any foreclosed real estate owned by the issuing entity declines to or below [ ]% of the sum of the aggregate stated principal balance of the [initial mortgage loans as of the initial cut-off date and the amount, if any, deposited into the pre-funding account on the closing date]. If the master servicer exercises the optional termination right it will result in the early retirement of the notes. [The NIM Insurer may also have the right to purchase all of the remaining assets in the issuing entity.] See "Description of the Notes -- Optional Termination" in this prospectus supplement.

Material Federal Income Tax Consequences

Subject to the qualifications described under "Material Federal Income Tax Consequences" in this prospectus supplement, [Sidley Austin LLP] [Thacher

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Proffitt & Wood LLP], special tax counsel to the depositor, is of the opinion that, under existing law, a note will be treated as a debt instrument for federal income tax purposes. Furthermore, special tax counsel to the depositor is of the opinion that neither the issuing entity nor any portion of the issuing entity will be treated as a corporation, a publicly traded partnership taxable as a corporation, or a taxable mortgage pool for federal income tax purposes.

See "Material Federal Income Tax Consequences" in this prospectus supplement and in the prospectus.

Legal Investment Considerations

The [Class AF] and [Class AV] Notes and the [Class MF-1], [Class MF-2], [Class MF-3], [Class MV-1], [Class MV-2] and [Class MV-3] Notes will be "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984. None of the other classes of offered notes will be "mortgage related securities" for purposes of the Secondary Mortgage Market Enhancement Act of 1984.

See "Legal Investment" in the prospectus.

ERISA Considerations

The [offered notes] may be purchased by a pension or other benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended, or Section 4975 of the Internal Revenue Code of 1986, as amended, or by an entity investing the assets of a benefit plan, so long as certain conditions are met.

A fiduciary of an employee benefit or other plan or an individual retirement account must determine that the purchase of an [offered note] is consistent with its fiduciary duties under applicable law and does not result in a non-exempt prohibited transaction under applicable law. Any person who acquires an [offered note] on behalf of or with plan assets of an employee benefit or other plan subject to ERISA or Section 4975 of the Code will be deemed to make certain representations.

See "ERISA Considerations" in this prospectus supplement and in the prospectus.

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SUMMARY OF TRANSACTION PARTIES

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<S>                        <C>                                               <C>
                             -----------------------------------
                             |         Sponsor and Seller       |
                           / |  [Countrywide Home Loans, Inc.]  |<---|      ---------
     Mortgage Loans       /  |                                  |    |      |       C
                         /   ------------------------------------    |      |
                        /                   |   Mortgage Loans       |      |
                       /                    |                        |      |
                      /                     |                        |      ---------
                     /                      |                        |       Corridor
                    /                       |                        |       Payments
                   /                        |     Excess Corridor    |
                  /                         |     Contract Payments  |
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                /                            |                         |      |      [C
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               |                             |                                |
              \|/                           \|/                        -------|
               V                             V                         |       --------
--------------------------           --------------------              |
|    [Other Sellers]      |  Mortgage  |   Depositor       |           |
|Special Purpose Entities|  Loans     |   CWALT, Inc.     |           | Net Corridor
| Created by the Sponsor]| ---------->|                   |           | Contract Payme
|                         |            |                   |           |
--------------------------           --------------------              |
                                             |                         |
                                             | Mortgage Loans          |
                                             |           |-------------
                                             |           |
                                            \|/         \|/
                                             V           V      Insurance
----------------------   Mortgage   ------------------------    Payments for  ------
| Master Servicer and |  Loan      |    Issuing Entity     |    [Class AF-5B]  | [Cla
|      Servicer       |  Servicing |  Alternative Loan     |    Certificates   |   [
| [Countrywide Home   |            |       Trust           |                   |
| Loan Servicing LP]  |------------|     200[ ]-[ ]        | <---------------- |
|                     |            |                       |                   |
|                     |            |     Owner Trustee     | ----------------> |
|                     |            |     [        ]        |                   ------
----------------------             ------------------------      Premium
                                             |                   Payments
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                                             |  Mortgage Files
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                                             V
                                   ---------------------
                                   | Indenture Trustee]  |
                                   |    [          ]     |
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RISK FACTORS

The following information, which you should carefully consider, identifies certain significant sources of risk associated with an investment in the notes. You should also carefully consider the information set forth under "Risk Factors" in the prospectus.

<TABLE>
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Subordinate Notes and [Class 2-

AV-1] Notes have A Greater Risk of Loss because of Subordination Features; Credit Enhancement May Not Be Sufficient to Protect Senior Notes from Losses..................

When certain classes of notes provide c
other classes of notes this is sometime
"subordination." The subordination feat
the likelihood that senior noteholders
payments of interest and principal. For
prospectus supplement, "related subordi

o with respect to the [Class AF] No
subordinate notes],

o with respect to the [Class AV] No
subordinate notes],

o with respect to the [Class 2-AV-1
of realized losses, the [Class 2-

o with respect to each class of Not
designation, (i) each other class
designation and a higher numerica
class, if any, and (ii) the Class

o with respect to each class of Not
designation, (i) each other class
designation and a higher numerica
class, if any, and (ii) the [Clas

Credit enhancement in the form of subor
for the notes, by:

o the right of the holders of the s
certain distributions prior to th
classes;

o the allocation of realized losses
a loan group or loan groups to th
classes, beginning with the [Clas
group [1]) and [Class BV] Notes (
[2] or loan group [3]); and

o if the note principal balances of
subordinate notes] are reduced to
allocation of realized losses, th
additional realized losses on the
to the [Class 2-AV-2] Notes.

This type of credit enhancement is prov

o using collections on the mortgage
otherwise payable to the holders
classes to pay amounts

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due on the more senior related cl

- o allocating realized losses of a p loan groups to the related subord with the related subordinate note priority, until the principal bal subordinate class has been reduce

[This means that after the credit enhan cashflow and overcollateralization (if

- o collections otherwise payable to classes will comprise the sole so credit enhancement is provided to except for the [Class AF-5B] Note benefit of the [Class AF-5B] Poli

- o realized losses on the mortgage l group will be allocated to the mo subordinate notes outstanding, un principal balance of that class o been reduced to zero.]

[If the aggregate note principal balanc subordinate notes] has been reduced to the group [2] mortgage loans will be al 2-AV-2] Notes until the note principal reduced to zero.] If the aggregate note subordinate classes and the [Class 2-AV reduced to zero, delinquencies and defa in the related loan group or loan group of funds available for monthly distribu the related senior notes.

Additionally, investors in the [fixed r should note that amounts due to the [Cl premiums and reimbursements for prior d thereon, will be paid from interest and rate mortgage loans prior to any paymen notes.

You should fully consider the risks of note and the [Class 2-AV-2] Notes, incl may not fully recover your initial inve realized losses. In addition, investors notes [(other than the [Class AF-5B] No benefit of the [Class AF-5B] Policy)] s that, [after the credit enhancement pro cashflow and overcollateralization (if the subordination of the related classe (and in the case of the [Class 2-AV-1] Notes) may not be sufficient to protect notes from losses.

See "Description of the Notes" in this

[Overcollateralization and Excess Interest May Not Be Sufficient to Protect Notes from Losses on the

Mortgage Loans] .... [The amount by which the sum of the aggr balance of the mortgage loans in a loan the amount on deposit in the pre-fundin the related loan group exceeds the aggr balance of the related classes of notes

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is called "overcollateralization." The group or loan groups are expected to ge is needed to pay interest on the relate weighted average interest rate on the m to be higher than the weighted average notes plus the expense fee rate, and in AF-5B] Notes, the [Class AF-5B] policy interest" from the related loan group o to make additional principal payments o extent described in this prospectus sup Overcollateralization is intended to pr to noteholders by absorbing the notes' liquidated mortgage loans in the relate groups. However, we cannot assure you t will be generated on the mortgage loans required levels of overcollateralizatio

The excess interest available on any di affected by the actual amount of intere recovered in respect of the mortgage lo month. The amount of interest received, will be influenced by changes in the we mortgage rates resulting from prepaymen mortgage loans as well as from adjustme on adjustable rate mortgage loans. Beca interest available may vary and because adjustable-rate notes may increase, it all or a portion of the available inter requirements. As a result, available ex reduced. Furthermore, a disproportionat prepayments of high interest rate mortg negative effect on future excess intere

If the protection afforded by overcolla insufficient and in the case of the [Cl [Class AF-5B] Insurer were to fail to p under the [Class AF-5B] Policy, then th could experience a loss on their invest

Difference Between Mortgage Rates and Adjustable Note Pass-Through May Reduce Excess Interest............... The interest rates on the [adjustable r monthly and are generally based on [one mortgage rates on the mortgage loans ei semi-annually based on six-month LIBOR, mortgage index, but in most cases only three years after origination]. Because respond to various economic and market

those affecting [one-month LIBOR], ther
correlation in movement between the int
mortgage loans and the interest rates o
notes]. For example, it is possible tha
certain of the adjustable rate mortgage
the interest rates on the [adjustable r
rising. In addition, although it is pos
mortgage rates and note interest rates
during the same period, mortgage rates
more slowly than the note interest rate
difference between interest rate adjust
rate adjustment periods. An increase in
certain of the adjustable rate mortgage
rates on the [adjustable rate notes] ar
result in less amounts

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being available as excess interest.

Net Rate Cap Puts a Limit on the Interest Rate of the Notes................

The absence of a correlation between mo
rates and the note interest rates may r
on the related interest-bearing notes b
of an interest rate cap called the "net
prepayments of mortgage loans in a loan
relatively higher mortgage rates may re
rate cap and consequently reduce the in
more related classes of offered notes.
by which a noteholder's interest paymen
operation of the applicable net rate ca
excess cashflow (if any) as described i
supplement.] [In addition, prior to the
contract termination date, the [Class A
2-AV] Notes, the [Class 3-AV] Notes, an
subordinate notes] will also be entitle
the reduction in interest resulting fro
applicable net rate cap from payments (
issuing entity in respect of the applic
corridor contract, as described in this
However, we cannot assure you that any
available, or sufficient, to make any p
these reductions. The [Class AF-5B] Pol
these shortfalls allocated to the [Clas

[Payments from the corridor contracts a
the performance of the corridor contrac
payments of these amounts involve count
assigned to the [adjustable rate notes]
any payments received from the corridor
of net rate carryover.]

[Limitations on the [Class AF-5B] Policy Will Limit the Amount Paid to [Class AF-5B] Notes].............

[On each distribution date, investors a
interest at the interest rate, without
resulting from prepayments or the Relie

local laws. However, the [Class AF-5B] current interest on the [Class AF-5B] N shortfalls. In addition, no distributio of the [Class AF-5B] Notes is due under until the maturity date for the [Class [Class AF-5B] Notes are undercollateral

Investors in the [Class AF] Notes (othe Notes) and the [adjustable rate subordi that amounts due the [Class AF-5B] Insu reimbursements for prior draws on the [(including interest thereon) will be pa principal on the mortgage loans even th not benefit from the [Class AF-5B] Poli

Prepayments on the Mortgage Loans Are Unpredictable and Could Adversely Affect Your Yield and Reinvestment ....

No one can accurately predict the level mortgage loans will experience. The pre mortgage loans may be affected by many

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- o general economic conditions,
- o the level of prevailing interest
- o the availability of alternative f
- o the applicability of prepayment c
- o homeowner mobility.

Any mortgage loan may be prepaid in ful however, approximately [ ]%, [ ]% and [in the statistical calculation pool in loan group [2] and loan group [3], resp principal balance of the mortgage loans calculation pool in respect of the rela and any subsequent mortgage loans may p the borrower of a prepayment charge on the period of time specified in the rel addition, substantially all of the mort due-on-sale provisions, and the master enforce those provisions unless doing s applicable law or the master servicer, with reasonable commercial practice, pe mortgaged property in question to assum loan.

See "The Mortgage Pool" and "Yield, Pre Considerations" in this prospectus supp Aspects of the Loans -- Due-on-Sale Cla for a description of certain provisions that may affect their prepayment experi

The weighted average lives of the offer to the rate and timing of principal pay prepayments) on the mortgage loans in t loan groups, which may fluctuate signif and will be affected by any prepayment distribution of amounts (if any) on dep account after the end of the funding pe

You should note that:

o generally, if you purchase your n principal is repaid on the mortga loan group or loan groups slower your yield may be lower than you

o for the [adjustable rate notes], sensitive to:

(1) the level of one-month LIBOR,

(2) the timing of adjustment of t note as it relates to the int mortgage loans and, in the ca mortgage loans, the level of of adjustment of the interest loans, and periodic and lifet adjustments, and

(3) other limitations on the inte described

<PAGE>

further in this prospectus supple

o you bear the reinvestment risks r slower rate of principal payments

See "Yield, Prepayment and Maturity Con prospectus supplement.

Your Yield Will Be Affected by the Interest-Only Feature of Some of the Mortgage Loans................

Approximately [ ]%, [ ]% and [ ]% of th statistical calculation pool in respect group [2] and loan group [3], respectiv principal balance of the mortgage loans calculation pool in respect of the rela and any subsequent mortgage loans may r of only accrued interest for the first origination. During the interest only p required to pay any principal on the bo therefore, less principal will be avail noteholders than would be the case if t amortized as of their first payment dat that borrowers of interest only mortgag required monthly payments, at the end o

period, interest only mortgage loans wi
principal balances than mortgage loans
rate and original principal balance tha
first payment date. Accordingly, intere
have a higher risk of default after the
to the increased monthly payment necess
mortgage loan over its remaining term t

Investors should consider the fact that
period, the monthly payment on an inter
same mortgage rate and monthly payment
fully amortizing as of its first paymen
higher principal balance than that of t
mortgage loan. Accordingly, during the
interest only mortgage loans may be les
the perceived benefits from refinancing
mortgage loans were fully amortizing. A
approaches its end, however, these mort
likely to be refinanced in order to avo
necessary to amortize fully the mortgag

Interest only mortgage loans also may i
risk because if the related mortgagor d
principal balance will be higher than f
loan.

Geographic Concentration of Mortgaged Properties in Certain States Increases the Impact that Events in Those States Could Have On The Notes........................

The tables in Annex A related to the st
mortgaged properties for the various gr
the statistical calculation pool set fo
concentration of the mortgaged properti
percentage by principal balance of the
statistical calculation pool in each lo
by mortgaged properties that are locate
concentrations above 10%]. [Property in
susceptible than homes located

<PAGE>

in other parts of the country to certai
hazards, such as earthquakes, floods, m
disasters, and property in Florida and
of the United States is also more susce
in other parts of the country to certai
hazards, such as hurricanes, floods and
In addition:

o economic conditions in states wit
concentrations (which may or may
values) may affect the ability of
loans,

o declines in the residential real

with significant concentrations m properties located in those state an increase in the loan-to-value

o any increase in the market value states with significant concentra loan-to-value ratios and could, t sources of financing available to interest rates, which could resul prepayment of the mortgage loans.

Inability to Replace Servicer Could Affect Collections and Recoveries on the Mortgage Loans........... The structure of the servicing fee migh find a replacement master servicer. Alt trustee is required to replace the mast servicer is terminated or resigns, if t unwilling (including for example becaus insufficient) or unable (including for indenture trustee does not have the sys loans), it may be necessary to appoint servicer. Because the servicing fee is of the stated principal balance of each difficult to replace the servicer at a the mortgage loans has been significant may be insufficient to cover the costs the mortgage loans and related REO prop pool. The performance of the mortgage l impacted, beyond the expected transitio servicing transfer, if a replacement ma retained within a reasonable amount of

Your Rights May Be Affected by the Issuance of [Three] Groups of Notes From a Single Issuing Entity..... The ability to declare an event of mast or to amend the sale and servicing agre rests with the holders of specified per addition, under certain circumstances, will have these rights as they relate t Notes.] As a result, you may have less actions of the issuing entity than you single class of notes had been issued b

You May Receive A Prepayment Because Subsequent Mortgage Loans Are Not Acquired........................ If the depositor elects to deposit the pre-funding account on the closing date issuing entity to acquire subsequent mo on the ability of [Countrywide Home Loa acquire mortgage loans during the

<PAGE>

funding period that meet the eligibilit mortgage loans as described in this pro ability of [Countrywide Home Loans, Inc loans for subsequent transfer will be a

factors including prevailing interest r
the rate of inflation and economic cond

If the full amount of any deposit to th
cannot be used by the end of the fundin
subsequent mortgage loans, the amount r
pre-funding account will be distributed
related senior notes as a prepayment of
distribution date immediately following
period. We cannot assure you of the mag
deposit in the pre-funding account at t
period.

[Rights of the NIM Insurer Limit
Your Control and NIM Insurer
Actions May Negatively Effect You].......

[If there is a NIM Insurer, pursuant to
agreement and the indenture, unless the
a required payment under the policy ins
margin securities and the failure is co
Insurer is the subject of a bankruptcy
a "NIM Insurer Default", the NIM Insure
exercise, among others, the following r
of holders of the offered notes, and th
notes may exercise these rights only wi
consent of the NIM Insurer:

o the right to provide notices of m
and the right to direct the inden
the rights and obligations of the
sale and servicing agreement upon
servicer,

o the right to remove the indenture
pursuant to the indenture, and

o the right to direct the indenture
investigations and take actions p

In addition, unless a NIM Insurer Defau
Insurer's consent will be required befo

o any removal of the master service
or the indenture trustee,

o any otherwise permissible waivers
extensions of due dates for payme
servicer with respect to more tha
loans, or

o any amendment to the sale and ser
indenture.

<PAGE>

Investors in the offered notes should n

o the rights granted to the NIM Ins

- the interests of the NIM Insurer and adverse to, the interests of notes, and the NIM Insurer has no consider the interests of the off with the exercise or nonexercise rights,

- the NIM Insurer's exercise of its negatively affect the offered not the NIM Insurer's rights, whether adversely affect the liquidity of relative to other securities back loans and with comparable payment and

- any insurance policy issued by th cover, and will not benefit in an offered notes.

See "Rights of the NIM Insurer under th Agreement and the Indenture" in this pr

</TABLE>

Some statements contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus consist of forward-looking statements relating to future economic performance or projections and other financial items. These statements can be identified by the use of forward-looking words such as "may," "will," "should," "expects," "believes," "anticipates," "estimates," or other comparable words. Forward-looking statements are subject to a variety of risks and uncertainties that could cause actual results to differ from the projected result. Those risks and uncertainties include, among others, general economic and business conditions, regulatory initiatives and compliance with governmental regulations, customer preferences and various other matters, many of which are beyond our control. Because we cannot predict the future, what actually happens may be very different from what we predict in our forward-looking statements.

<PAGE>

THE MORTGAGE POOL

General

Set forth below and in Annex A hereto is certain statistical information based on scheduled principal balances as of [ ] 200[ ], [which is the "Statistical Calculation Date," concerning a pool of mortgage loans that CWALT, Inc. (the "Depositor") believes is representative of the mortgage loans to be included in the issuing entity. This pool of mortgage loans is referred to as the "Statistical Calculation Pool," and the mortgage loans are referred to as the "Statistical Calculation Pool Mortgage Loans."]

[A detailed description (the "Detailed Description") of the pool of mortgage loans (the "Initial Mortgage Loans") to be included in the issuing

entity on the Closing Date (the "Initial Mortgage Pool") will be filed on Form 8-K with the SEC after the Closing Date.] Additionally, in accordance with applicable securities laws, if there are material changes in material characteristics of the Initial Mortgage Pool, the Depositor will file on Form 8-K with the SEC additional information related to those material changes. [The Detailed Description will specify the aggregate of the Stated Principal Balances of the Initial Mortgage Loans included in the Initial Mortgage Pool as of the later of (x) [ ] 200[ ] and (y) the date of origination of each such Initial Mortgage Loan (the "Initial Cut-off Date").] The aggregate of the Stated Principal Balances of these Initial Mortgage Loans is referred to as the "Initial Cut-off Date Pool Principal Balance" and the Stated Principal Balance of any Initial Mortgage Loan as of the Initial Cut-off Date is referred to as the "Initial Cut-off Date Principal Balance." [The Detailed Description will include for the Initial Mortgage Loans, the information in the same categories that are presented in Annex A with respect to the Statistical Calculation Pool.]

The Statistical Calculation Pool consists of approximately [ ] Mortgage Loans and is comprised of Mortgage Loans that bear interest at fixed rates, referred to as "Fixed Rate Mortgage Loans," and adjustable rates, referred to as "Adjustable Rate Mortgage Loans." The aggregate Stated Principal Balance of the Mortgage Loans included in the Statistical Calculation Pool as of the Statistical Calculation Date is approximately $[ ] (the "Statistical Calculation Date Pool Principal Balance"), of which approximately $[ ] consist of Loan Group [1] Mortgage Loans, approximately $[ ] consist of Loan Group [2] Mortgage Loans and approximately $[ ] consist of Loan Group [3] Mortgage Loans. The Depositor believes that the information set forth in this prospectus supplement with respect to the Statistical Calculation Pool as presently constituted is representative of the characteristics of the Initial Mortgage Pool as will be constituted on the Closing Date, although some characteristics of the Initial Mortgage Loans in the Initial Mortgage Pool will vary. See "-- The Statistical Calculation Pool" below. Unless otherwise indicated, information presented below expressed as a percentage (other than rates of interest) are approximate percentages based on the Statistical Calculation Date Pool Principal Balance.

All of the Mortgage Loans to be included in the issuing entity will be evidenced by promissory notes (the "Mortgage Notes"). The Mortgage Notes will be secured by [first lien] deeds of trust, security deeds or mortgages on one- to four-family residential properties (the "Mortgaged Properties"). The Mortgaged Properties in the Statistical Calculation Pool are located in 50 states and the District of Columbia. Each Mortgage Loan in the issuing entity will be assigned to one of three mortgage loan groups ("Loan Group [1]," "Loan Group [2]," and "Loan Group [3]" and each a "Loan Group"). Loan Group [1] will consist of [first lien fixed rate mortgage loans]. Loan Group [2] and Loan Group [3] will consist of [first lien adjustable rate mortgage loans].

Except for balloon loans, the Mortgage Loans to be included in the issuing entity will provide for the full amortization of the amount financed over a series of monthly payments, and a [substantial majority] of the Mortgage Loans are expected to provide for payments due as of the first day of each month. The Mortgage Loans to be included in the issuing entity will have been originated or purchased by [Countrywide Home Loans, Inc.] ("[Countrywide Home Loans]" or a "Seller") and will have been originated substantially in accordance with [Countrywide Home Loans'] underwriting criteria for mortgage loans described in this prospectus supplement under "-- Underwriting Standards."

Scheduled monthly payments made by the mortgagors on the Mortgage Loans ("Scheduled Payments") either earlier or later than the scheduled due

dates thereof will not affect the amortization schedule or the relative application of the payments to principal and interest. [All of the Mortgage Notes will provide for a fifteen (15) day grace period for monthly payments.] A Scheduled Payment with respect to a Mortgage Loan is generally considered

<PAGE>

"delinquent" if the mortgagor fails to make the Scheduled Payment prior to the due date occurring immediately after the due date on which the Scheduled Payment was originally due. [None] of the Mortgage Loans will be more than one payment delinquent on a contractual basis as of the related Cut-off Date.

Any Mortgage Loan may be prepaid in full or in part at any time; however, approximately [ ]%, [ ]% and [ ]% of the Mortgage Loans in the Statistical Calculation Pool in respect of Loan Group [1], Loan Group [2] and Loan Group [3], respectively, in each case by principal balance of the Mortgage Loans in the Statistical Calculation Pool in respect of the related Loan Group, provide for the payment by the borrower of a prepayment charge on certain prepayments made with respect to the Mortgage Loans. Generally, a prepayment charge will apply, in the case of a Fixed Rate Mortgage Loan, to prepayments made within [five years] from the date of execution of the related Mortgage Note and, in the case of an Adjustable Rate Mortgage Loan, to prepayments made prior to [the first Adjustment Date for that Mortgage Loan]. In general, the related Mortgage Note will provide that a prepayment charge will apply if, during the applicable period, the borrower prepays the Mortgage Loan in full. The amount of the prepayment charge will generally be equal to [six months' advance interest calculated on the basis of the Mortgage Rate in effect at the time of the prepayment on the amount prepaid in excess of 20% of the original balance of the Mortgage Loan]. The "Mortgage Rate" with respect to a Mortgage Loan is the annual rate of interest borne by the Mortgage Loan pursuant to the terms of the related Mortgage Note[, except as provided below with respect to Fixed Rate Credit Comeback Loans].

The Mortgage Loans will be selected from among the outstanding one- to four-family mortgage loans in the applicable Seller's portfolio which meet the criteria described in this prospectus supplement. No selection will be made in a manner that would adversely affect the interests of noteholders.

[Countrywide Home Loans] will make all of the representations specified in the prospectus under "Loan Program -- Representations by Sellers; Repurchases" with respect to all of the Mortgage Loans. [Each other Seller will be a special purpose entity established by Countywide Financial Corporation or one of its subsidiaries and will sell mortgage loans that were previously acquired from Countrywide Home Loans. Consequently, each Seller other than Countrywide Home Loans will only represent that immediately prior to the assignment of the Mortgage Loans to be sold by it to the Depositor, the Seller had good title to, and was the sole owner of, those Mortgage Loans free and clear of any pledge, lien, encumbrance or security interest and had full right and authority, subject to no interest or participation of, or agreement with, any other party, to sell and assign the Mortgage Loans pursuant to the Mortgage Loan Purchase and Assignment Agreement.] In addition, the Depositor will represent that following the transfer of the Mortgage Loans to it by the Sellers, the Depositor had good title to the Mortgage Loans and that each of the Mortgage Notes was subject to no offsets, claims, defenses or counterclaims.

Additional Information Regarding the Adjustable Rate Mortgage Loans.

Each of the Adjustable Rate Mortgage Loans will have a Mortgage Rate which is subject to adjustment on the [first] day of the months specified in the related Mortgage Note, referred to as an "Adjustment Date"), to equal the sum, rounded to the nearest [0.125%,] of:

(1) [the average of the London interbank offered rates for six-month U.S. dollar deposits in the London market, as set forth in The Wall Street Journal, or, if the rate ceases to be published in The Wall Street Journal or becomes unavailable for any reason, then based upon a new index selected by the Master Servicer based on comparable information, in each case as most recently announced as of a date generally 45 days prior to the Adjustment Date (the "Mortgage Index")], and

(2) a fixed percentage amount specified in the related Mortgage Note (the "Gross Margin");

[provided, however, that the Mortgage Rate for any Adjustable Rate Mortgage Loan will not increase or decrease on its initial Adjustment Date by more than a certain specified percentage (the "Initial Periodic Rate Cap"), or on any subsequent Adjustment Date by more than a certain specified percentage (the "Subsequent Periodic Rate Cap").] [The Initial Periodic Rate Cap and Subsequent Periodic Rate Cap for any Adjustable Rate Mortgage Loan will be specified in the related Mortgage Note.] [Substantially all of the Adjustable Rate Mortgage Loans will have been originated with Mortgage Rates less than the sum of the then-current Mortgage Index and the related Gross Margin.]

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["Two-Year Hybrid Mortgage Loans", "Three-Year Hybrid Mortgage Loans" and "Five-Year Hybrid Mortgage Loans" (collectively, "Hybrid Mortgage Loans") have fixed Mortgage Rates for approximately [24, 36 and 60] months, respectively, after their origination before the fixed Mortgage Rates become subject to adjustment based on the Mortgage Index described in the immediately preceding paragraph. Substantially all of the Adjustable Rate Mortgage Loans in the Statistical Calculation Pool are Hybrid Mortgage Loans.]

It is expected that substantially all of the Adjustable Rate Mortgage Loans will provide that, over the life of each Adjustable Rate Mortgage Loan, the Mortgage Rate will in no event be more than the initial Mortgage Rate plus a maximum added margin, generally between [ ]% and [ ]%, as provided in the Mortgage Note. The initial Mortgage Rate plus the maximum added margin is referred to as the "Maximum Mortgage Rate." The weighted average of these margins (weighted on the basis of the Stated Principal Balances thereof as of the Initial Cut-off Date) with respect to the Adjustable Rate Mortgage Loans in the Statistical Calculation Pool is approximately [ ]%.

[In addition, certain of the Two-Year Hybrid Mortgage Loans in the Statistical Calculation Pool only require payments of interest during either the first [24 or 60] months following origination and certain of the Three-Year Hybrid Mortgage Loans in the Statistical Calculation Pool only require payments of interest during either the first [36 or 60] months following origination, in each case, after which amortization of the principal balance is required over the remaining term of the Mortgage Loan.]

Additional Information Regarding the Fixed Rate Mortgage Loans. [The Fixed Rate Mortgage Loans will include "credit comeback loans" that provide borrowers the potential of four Mortgage Rate reductions for good payment

history during any one or more of the first four consecutive twelve-month periods following the origination date of the loan ("Fixed Rate Credit Comeback Loans"). The Fixed Rate Credit Comeback Loan payment history is evaluated in the [twelfth month of each twelve-month period]. If the Fixed Rate Credit Comeback Loan borrower makes Scheduled Payments in full during a twelve-month period with a maximum of one late payment (which, however, cannot be in the twelfth month of the period) the Fixed Rate Credit Comeback Loan is eligible for a [0.375]% per annum reduction on the current mortgage rate.]

[However, for purposes of all payments made on the Notes, including the calculation of each applicable Net Rate Cap as well as other Mortgage Rate calculations, the Mortgage Rate on each Fixed Rate Credit Comeback Loan will be deemed to be reduced by [0.375]% on the Due Date following the end of each of the first four annual periods after the origination date, irrespective of whether the borrower qualifies for the reduction by having a good payment history. Any interest received in excess of the interest received as a result of this deemed reduction, referred to as the "Credit Comeback Excess Amount," will be deposited in the Credit Comeback Excess Account and used to pay noteholders as described below under "-- Credit Comeback Excess Account" below. It is expected that no more than approximately [ ]% of the Mortgage Loans in Loan Group [1] will be Fixed Rate Credit Comeback Loans.]

[In addition, certain of the Fixed Rate Mortgage Loans in the Statistical Calculation Pool are Fixed 30-Year Interest-Only Loans. A "Fixed 30-Year Interest-Only Loan" has only interest due for approximately [60] months after its origination before amortization of the principal balance is required.]

Loan-to-Value Ratio. The "Loan-to-Value Ratio" of a Mortgage Loan at any given time is a fraction, expressed as a percentage, the numerator of which is the principal balance of the related Mortgage Loan at the date of determination and the denominator of which is

- in the case of a purchase, the lesser of the selling price of the mortgaged property or its appraised value at the time of sale or
- in the case of a refinance, the appraised value of the mortgaged property at the time of the refinance, except in the case of a mortgage loan underwritten pursuant to Countrywide Home Loans' Streamlined Documentation Program as described under "-- Underwriting Process".

With respect to Mortgage Loans originated pursuant to the Streamlined Documentation Program,

<PAGE>

- if the loan-to-value ratio at the time of the origination of the Mortgage Loan being refinanced was 80% or less and the loan amount of the new loan being originated is $650,000 or less, then the "Loan-to-Value Ratio" will be the ratio of the principal amount of the new Mortgage Loan being originated divided by the appraised value of the related mortgaged property at the time of the origination of the Mortgage Loan being refinanced, as reconfirmed by Countrywide Home Loans using an automated property valuation system; or

- if the loan-to-value ratio at the time of the origination of the Mortgage Loan being refinanced was greater than 80% or the loan amount of the new loan being originated is greater than $650,000, then the "Loan-to-Value Ratio" will be the ratio of the principal amount of the new Mortgage Loan being originated divided by the appraised value of the related mortgaged property as determined by an appraisal obtained by Countrywide Home Loans at the time of the origination of the new mortgage loan. See"--Underwriting Process" in this prospectus supplement.

No assurance can be given that the value of any mortgaged property has remained or will remain at the level that existed on the appraisal or sales date. If residential real estate values generally or in a particular geographic area decline, the Loan-to-Value Ratios might not be a reliable indicator of the rates of delinquencies, foreclosures and losses that could occur with respect to the Mortgage Loans.

Stated Principal Balance. "Stated Principal Balance" means, for any Mortgage Loan and (1) the Initial Cut-off Date or the Subsequent Cut-off Date, as applicable (the "Cut-off Date"), the unpaid principal balance of the Mortgage Loan as of the Cut-Off Date, as specified in its amortization schedule at the time (before any adjustment to the amortization schedule for any moratorium or similar waiver or grace period), after giving effect to any partial prepayments and Liquidation Proceeds received prior to the Cut-Off Date and to the payment of principal due on the Cut-Off Date and irrespective of any delinquency in payment by the related mortgagor or (2) any Distribution Date, the Stated Principal Balance of the Mortgage Loan as of its Cut-off Date, minus the sum of (i) the principal portion of any Scheduled Payments due with respect to the Mortgage Loan on or prior to the end of the most recent Due Period that were received by the Master Servicer on or prior to the most recent Determination Date or were advanced by the Master Servicer on or prior to the most recent Master Servicer Advance Date, (ii) principal prepayments with respect to the Mortgage Loan received on or prior to the end of the most recent prepayment period (the period from the [16th] day of the month prior to a Distribution Date (or, in the case of the first Distribution Date, from the Cut-off Date) to and including the [15th] day of the month in which the Distribution Date occurs (each a "Prepayment Period")) and (iii) Liquidation Proceeds received by the Master Servicer prior to the end of the most recent Due Period to the extent applied as recoveries of principal with respect to the Mortgage Loan. The Stated Principal Balance of any Mortgage Loan as to which the related Mortgaged Property has been liquidated and as to which a Final Recovery Determination has been made will be zero on each date following the Due Period in which the Final Recovery Determination is made. When used with respect to the Mortgage Pool, Stated Principal Balance means the aggregate Stated Principal Balance of all Mortgage Loans in the Mortgage Pool. When used with respect to a Loan Group, Stated Principal Balance means the aggregate Stated Principal Balance of all Mortgage Loans in the Loan Group. A "Determination Date" means with respect to any Distribution Date, the [15th] day of the month of the Distribution Date or, if the [15th] day is not a Business Day, the immediately preceding Business Day.

[The Statistical Calculation Pool

The statistical information presented in this prospectus supplement is based on the Statistical Calculation Pool. The Statistical Calculation Pool reflects Mortgage Loans as of [ ] 200[ ]. The statistical information presented in this prospectus supplement is based on the number and the Stated Principal Balances of the Mortgage Loans as of the Statistical Calculation Date. The Statistical Calculation Pool is smaller than the Initial Mortgage Pool. It is

expected that additional Mortgage Loans will be included in the Initial Mortgage Pool on the Closing Date and that certain of the Statistical Calculation Pool Mortgage Loans may prepay in part or in full prior to the Closing Date, or may be determined not to meet the eligibility criteria requirements for the Initial Mortgage Pool and therefore may not be included in the Initial Mortgage Pool. As a result of the foregoing, the statistical distribution of characteristics for the Initial Mortgage Pool will vary from the statistical distribution of the characteristics of the Statistical Calculation Pool as presented in this prospectus supplement, although the variance will not be material.

<PAGE>

The following information sets forth certain characteristics of the Mortgage Loans as of the Statistical Calculation Date. Other than with respect to rates of interest, percentages (approximate) are stated by the aggregate Stated Principal Balance of the Mortgage Loans as of the Statistical Calculation Date. The sum in any column of the following tables may not equal the indicated value due to rounding. The sum in any column of the following tables may not equal the indicated value due to rounding. In addition, each weighted average FICO credit score set forth below has been calculated without regard to any Mortgage Loan for which the FICO credit score is not available.

<PAGE>

<PAGE>

MORTGAGE LOANS

Loan Program

<TABLE>
<CAPTION>

Loan Program	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage loans
<S>	<C>	<C>	<C>
Total........................			

<CAPTION>

	Weighted	Weighted	Weighted

Loan Program	Average Remaining Term to Maturity (Months)	Average FICO Credit Score	Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

</TABLE>

<TABLE>
<CAPTION>

Current Mortgage Loan Principal Balances(1)

Range of Current Mortgage Loan Principal Balances ($)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage loans
<S>	<C>	<C>	<C>
Total........................			

<CAPTION>

Range of Current Mortgage Loan Principal Balances ($)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

----

(1) As of the Statistical Calculation Date, the average current mortgage loan princ

approximately $[ ].
</TABLE>

<PAGE>

Original Principal Balances

<TABLE>
<CAPTION>

Range of Original Principal Balance ($)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

<CAPTION>

Range of Original Principal Balance ($)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>

Total.........................

</TABLE>

<PAGE>

<TABLE>
<CAPTION>

State Distribution of Mortgaged Properties(1)

State	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>

Total........................	=============	=================	=============

<CAPTION>

State	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

----

(1) As of the Statistical Calculation Date, no more than approximately [
mortgaged properties located in any one postal zip code area.

</TABLE>

<PAGE>

Original Loan-to-Value Ratios(1)(2)

<TABLE>
<CAPTION>

Range of Original Loan-to-Value Ratios (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total........................			

<CAPTION>

Range of Original Loan-to-Value Ratios (%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

----

(1) As of the Statistical Calculation Date, the weighted average original Loan-to-V
approximately [ ]%.

(2) Does not take into account any secondary financing on the Mortgage Loans that m
origination. Based on information provided by the borrowers, as of their respec

approximately [ ]% of the Mortgage Loans, by principal balance of the Mortgage mortgaged properties that also secured one or more junior mortgage loans.

</TABLE>

<PAGE>

Current Mortgage Rates(1)

<TABLE>
<CAPTION>

Range of Current Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total........................			

<CAPTION>

Range of Current Mortgage Rates (%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

----

(1) The current mortgage rates listed in the preceding table include lender paid mo
As of the Statistical Calculation Date, the weighted average current mortgage r
was approximately [ ]% per annum. As of the Statistical Calculation Date, the w
mortgage rate of the Mortgage Loans net of the premium charged by the lender in
mortgage insurance was approximately [ ]% per annum.

</TABLE>

<PAGE>

Types of Mortgaged Properties

<TABLE>
<CAPTION>

Property Type	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Single Family Residence.........			
Planned Unit Development........			
Low-rise Condominium............			
2-4 Family Residence............			
High-rise Condominium...........			
[Others]	-------------	-----------------	-------------
Total.........................			
	=============	=================	=============

<CAPTION>

Property Type	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Single Family Residence.........			
Planned Unit Development........			
Low-rise Condominium............			
2-4 Family Residence............			
High-rise Condominium...........			
[Others]			
Total.........................			

</TABLE>

<PAGE>

Purpose of Mortgage Loans

<TABLE>
<CAPTION>

Loan Purpose	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Refinance (cash-out)...........			
Purchase.......................			
Refinance (rate/term)...........	-------------	-----------------	-------------
Total........................			
	=============	=================	=============

<CAPTION>

Loan Purpose	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Refinance (cash-out)...........			
Purchase.......................			
Refinance (rate/term)...........			
Total........................			

</TABLE>

Occupancy Types(1)

<TABLE>
<CAPTION>

Occupancy Type	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans

<S>	<C>	<C>	<C>
Primary Residence...............			
Investment Property.............			
Secondary Residence.............			
Total.........................			

<CAPTION>

Occupancy Type	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Primary Residence...............			
Investment Property.............			
Secondary Residence.............			
Total.........................			

----

(1) Based upon representations of the related borrowers at the time of origination.

</TABLE>

<PAGE>

Remaining Terms to Maturity(1)

<TABLE>
<CAPTION>

Remaining Term to Maturity (Months)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

<CAPTION>

	Weighted	Weighted	Weighted

Remaining Term to Maturity (Months)	Average Remaining Term to Maturity (Months)	Average FICO Credit Score	Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

----
(1) As of the Statistical Calculation Date, the weighted average remaining term to approximately 358 months.

</TABLE>

Documentation Programs

<TABLE>
<CAPTION>

Documentation Program	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Reduced..........................			
Full/Alternative.................			
Stated Income/Stated Asset.......			
[Others]	-------------	-----------------	-------------
Total........................			
	=============	=================	=============

<CAPTION>

Documentation Program	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Reduced..........................			
Full/Alternative.................			
Stated Income/Stated Asset.......			

[Others]
Total.........................

</TABLE>

<PAGE>

FICO Credit Scores(1)

<TABLE>
<CAPTION>

Range of FICO Credit Scores	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Unknown........................	------------	----------------	------------
Total..........................			
	============	================	============

<CAPTION>

Range of FICO Credit Scores	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Valu Ratio (%)
<S>	<C>	<C>	<C>
Unknown........................			
Total..........................			

----

(1) As of the Statistical Calculation Date, the weighted average FICO Credit Score Mortgage Loans was approximately [ ].

</TABLE>

<PAGE>

[Original Interest Adjustment Dates]

<TABLE>
<CAPTION>

Original Interest Adjustment Date	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

<CAPTION>

Original Interest Adjustment Date	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>

Total.........................

</TABLE>

<TABLE>
<CAPTION>

[Months to Next Adjustment Date]

Months to Next Adjustment Date	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

<CAPTION>

Months to Next Adjustment Date	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total.........................			

</TABLE>

<PAGE>

[Gross Margins(1)]

<TABLE>
<CAPTION>

Range of Gross Margins (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

<CAPTION>

Range of Gross Margins (%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total.........................			

----
(1) As of the Statistical Calculation Date, the weighted average gross margin of th
[ ]%.
</TABLE>

[Maximum Mortgage Rates(1)]

<TABLE>
<CAPTION>

Range of Maximum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

============= ================= =============

<CAPTION>

Range of Maximum Mortgage Rates (%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total..........................			

----
(1) The weighted average Maximum Mortgage Rate for the Mortgage Loans as of the [St approximately [ ]%.

</TABLE>

<PAGE>

[Minimum Mortgage Rates]

<TABLE>
<CAPTION>

Range of Minimum Mortgage Rates (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total..........................			

<CAPTION>

	Weighted Average Remaining Term	Weighted Average FICO	Weighted Average Original

Range of Minimum Mortgage Rates (%)	to Maturity (Months)	Credit Score	Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total.........................			

</TABLE>

[Maximum Negative Amortization(1)]

<TABLE>
<CAPTION>

Maximum Negative Amortization(%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
	------------	----------------	------------
Total.........................			
	============	================	============

<CAPTION>

Maximum Negative Amortization(%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total.........................			

----

(1) Reflects maximum allowable percentage of original unpaid principal balance.

</TABLE>

<PAGE>

[Initial Periodic Rate Cap(1)]

<TABLE>
<CAPTION>

Initial Periodic Rate Cap (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................	------------- =============	----------------- =================	------------- =============

<CAPTION>

Initial Periodic Rate Cap (%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total.........................			

----

(1) The weighted average Initial Periodic Rate Cap for the Mortgage Loans as of the approximately [ ]%.

</TABLE>

[Subsequent Periodic Rate Cap (1)]

<TABLE>
<CAPTION>

Subsequent Periodic Rate Cap (%)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total.........................			

<CAPTION>

Subsequent Periodic Rate Cap (%)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total.........................			

----

(1) The weighted average Subsequent Periodic Rate Cap for the Mortgage Loans as of approximately [ ]%.

</TABLE>

<PAGE>

[Interest-Only Periods at Origination]

<TABLE>

<CAPTION>

Interest Only Period (months)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans	P
<S>	<C>	<C>	<C>	
Total........................				

<CAPTION>

Interest Only Period (months)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Value Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

</TABLE>

[Prepayment Charge Periods at Origination]

<TABLE>
<CAPTION>

Prepayment Charge Period (months)	Number of Mortgage Loans	Aggregate Principal Balance Outstanding	% of Mortgage Loans
<S>	<C>	<C>	<C>
Total........................			

<CAPTION>

Prepayment Charge Period (months)	Weighted Average Remaining Term to Maturity (Months)	Weighted Average FICO Credit Score	Weighted Average Original Loan-to-Valu Ratio (%)
<S>	<C>	<C>	<C>
Total........................			

</TABLE>

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Assignment of the Mortgage Loans

Pursuant to the mortgage loan purchase and assignment agreement dated as of [ ], 20[ ] (the "Mortgage Loan Purchase and Assignment Agreement "), among the Depositor and the Sellers, the Sellers on the Closing Date will sell, transfer, assign, set over and otherwise convey without recourse to the Depositor all right, title and interest of the Sellers in and to each Initial Mortgage Loan, including all principal and interest received on or with respect to the Initial Mortgage Loans after the Initial Cut-off Date (exclusive of any scheduled principal due on or prior to the Initial Cut-off Date and any interest accruing prior to the Initial Cut-off Date). Pursuant to the sale and servicing agreement dated as of [ ], 20[ ] (the "Sale and Servicing Agreement"), among the issuing entity, [ ], as Trust Administrator (the "Trust Administrator") the Depositor, the Master Servicer, the Sellers and [ ], as Indenture Trustee (the "Indenture Trustee"), the Depositor on the Closing Date will sell, transfer, assign, set over and otherwise convey without recourse to the issuing entity all right, title and interest of the Depositor in and to each Initial Mortgage Loan and all right, title and interest in and to all other assets to be held by the issuing entity, including all principal and interest received on or with respect to the Initial Mortgage Loans after the Initial Cut-off Date (exclusive of any scheduled principal due on or prior to the Initial Cut-off Date and any interest accruing prior to the Initial Cut-off

Date) and the Pre-Funded Amount, if any, deposited in the Pre-Funding Account on the Closing Date. The Depositor will assign its rights under the Mortgage Loan Purchase and Assignment Agreement to the issuing entity pursuant to the Sale and Servicing Agreement. The issuing entity will in turn pledge all of its right, title and interest the Initial Mortgage Loans and its other assets, including its rights in the Sellers' representations and warranties to the Indenture Trustee for the benefit of the holders of the Notes.

In connection with the transfer and assignment of the Mortgage Loans, the Depositor will deliver or cause the Sellers to deliver the following documents to the Indenture Trustee (collectively constituting the "Mortgage File") with respect to each Initial Mortgage Loan and each Subsequent Mortgage Loan, if any (collectively, the "Mortgage Loans"):

(1) the original Mortgage Note, endorsed by the applicable Seller or the originator of the Mortgage Loan, without recourse in the following form: "Pay to the order of _______________ without recourse" with all intervening endorsements that show a complete chain of endorsement from the originator to the applicable Seller, except that the Depositor may deliver or cause to be delivered a lost note affidavit in lieu of any original Mortgage Note that has been lost,

(2) the original recorded Mortgage or a copy of such instrument,

(3) a duly executed assignment of the Mortgage to "Mortgage Backed Notes, Series 200[ ]-[ ], CWALT, Inc., by [ ], as Indenture Trustee under the Indenture dated as of [ ], 20[ ], without recourse," in recordable form, as described in the Sale and Servicing Agreement,

(4) the original recorded assignment or assignments of the Mortgage together with all interim recorded assignments of the Mortgage or copies thereof, except for any documents not returned from the public recording office, which will be delivered to the Indenture Trustee as soon as the same is available to the Depositor,

(5) the original or copies of each assumption, modification, written assurance or substitution agreement, if any, and

(6) the original or duplicate original lender's title policy and all riders thereto or, in the event the original title policy has not been received from the insurer, the original or duplicate original lender's title policy and all riders thereto will be delivered within one year of the Closing Date.

Notwithstanding the foregoing, in lieu of providing the documents set forth in clauses (3) and (4) above, the Depositor may at its discretion provide evidence that the related Mortgage is held through the MERS(R) System. In addition, the Mortgages for some or all of the Mortgage Loans in the issuing entity that are not already held through the MERS(R) System may, at the discretion of the Master Servicer, in the future be held through the MERS(R) System. For any Mortgage held through

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the MERS(R) System, the Mortgage is recorded in the name of Mortgage Electronic Registration Systems, Inc., or MERS(R), as nominee for the owner of the Mortgage Loan, and subsequent assignments of the Mortgage were, or in the future may be, at the discretion of the Master Servicer, registered electronically through the MERS(R) System. For each of these Mortgage Loans, MERS(R) serves as mortgagee of record on the Mortgage solely as a nominee in an administrative capacity on behalf of the Indenture Trustee, and does not have any interest in the Mortgage Loan.

Pursuant to the Sale and Servicing Agreement, the Depositor will be required to deliver (or cause delivery of) the Mortgage Files to the Indenture Trustee:

(A) not later than the Closing Date, with respect to at least 50% of the Initial Mortgage Loans, and not later than the relevant Subsequent Transfer Date, with respect to at least 10% of the Subsequent Mortgage Loans conveyed on any related Subsequent Transfer Date,

(B) not later than twenty days after the Closing Date, with respect to at least an additional 40% of the Initial Mortgage Loans, and not later than twenty days after the relevant Subsequent Transfer Date with respect to the remaining Subsequent Mortgage Loans conveyed on any related Subsequent Transfer Date, and

(C) not later than thirty days after the Closing Date, with respect to the remaining Initial Mortgage Loans.

Assignments of the Mortgage Loans to the Indenture Trustee (or its nominee) will be recorded in the appropriate public office for real property records, except in states (such as California) as to which an opinion of counsel is delivered to the effect that the recording is not required to protect the Indenture Trustee's interests in the Mortgage Loan against the claim of any subsequent transferee or any successor to or creditor of the Depositor or the applicable Seller. As to any Mortgage Loan, the recording requirement exception described in the preceding sentence is applicable only so long as the related Mortgage File is maintained in the possession of the Indenture Trustee in one of the states to which the exception applies. In the event an assignment is delivered to the Indenture Trustee in blank and the related Mortgage File is released by the Indenture Trustee pursuant to applicable provisions of the Sale and Servicing Agreement, the Indenture Trustee will complete the assignment as provided in subparagraph (3) above prior to the release. In the event recording the assignment of the Mortgage Loan is required to protect the interest of the Indenture Trustee in the Mortgage Loans, the Master Servicer is required to cause each previously unrecorded assignment to be submitted for recording.

The Indenture Trustee will review the Initial Mortgage Loan documents on or prior to the Closing Date (or promptly after the Indenture Trustee's receipt of any document permitted to be delivered after the Closing Date), and the Subsequent Mortgage Loan documents promptly after the Indenture Trustee's receipt thereof on or after the related Subsequent Transfer Date as described above, and the Indenture Trustee will hold the Mortgage Loan documents in trust for the benefit of the holders of the Notes in accordance with its customary procedures, including storing the documents in fire-resistant facilities. After review of the Mortgage Loan documents, if any document is found to be missing or defective in any material respect, the Indenture Trustee is required to notify the Depositor, the Master Servicer, the [Class AF-5B] Insurer and [Countrywide Home Loans] in writing. If [Countrywide

Home Loans] cannot or does not cure the omission or defect within 90 days of its receipt of notice from the Indenture Trustee, [Countrywide Home Loans] is required to repurchase the related Mortgage Loan from the issuing entity at a price (the "Purchase Price") equal to the sum of:

(i) 100% of the unpaid principal balance (or, if the purchase or repurchase, as the case may be, is effected by the Master Servicer, the Stated Principal Balance) of the Mortgage Loan as of the date of the purchase,

(ii) accrued interest thereon at the applicable Mortgage Rate (or, if the purchase or repurchase, as the case may be, is effected by the Master Servicer, at the Net Mortgage Rate) from (a) the date through which interest was last paid by the mortgagor (or, if the purchase or repurchase, as the case may be, is effected by the Master Servicer, the date through which interest was last advanced by, and not

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reimbursed to, the Master Servicer) to (b) the Due Date in the month in which the Purchase Price is to be distributed to noteholders, and

(iii) any costs, expenses and damages incurred by the issuing entity resulting from any violation of any predatory or abusive lending law in connection with the Mortgage Loan.

Rather than repurchase the Mortgage Loan as provided above, [Countrywide Home Loans] may remove the Mortgage Loan (a "Deleted Mortgage Loan") from the issuing entity and substitute in its place another Mortgage Loan of like kind (a "Replacement Mortgage Loan"); however, a substitution is only permitted within two years after the Closing Date. Any Replacement Mortgage Loan generally will, on the date of substitution, among other characteristics set forth in the Sale and Servicing Agreement:

(1) have a Stated Principal Balance, after deduction of the principal portion of the Scheduled Payment due in the month of substitution, not in excess of, and not less than 90% of, the Stated Principal Balance of the Deleted Mortgage Loan (the amount of any shortfall to be forwarded by [Countrywide Home Loans] to the Master Servicer and deposited by the Master Servicer in the Collection Account not later than the succeeding Determination Date and held for distribution to the holders of the Notes on the related Distribution Date),

(2) if the Deleted Mortgage Loan that is being replaced is an Adjustable Rate Mortgage Loan, have a Maximum Mortgage Rate not more than 1% per annum higher or lower than the Maximum Mortgage Rate of the Deleted Mortgage Loan,

(3) if the Deleted Mortgage Loan that is being replaced is an Adjustable Rate Mortgage Loan, have a minimum Mortgage Rate specified in its related Mortgage Note (the "Minimum Mortgage Rate") not more than 1% per annum higher or lower than the Minimum Mortgage Rate of the Deleted Mortgage Loan,

(4) if the Deleted Mortgage Loan that is being replaced is an Adjustable Rate Mortgage Loan, have the same Mortgage Index, reset period, payment cap and recast provisions, as applicable, as and a Gross Margin not more than 1% per annum higher or lower than that of the Deleted Mortgage Loan,

(5) have a Mortgage Rate no lower than and not more than 1% higher than that of the Deleted Mortgage Loan,

(6) have a Loan-to-Value Ratio no higher than that of the Deleted Mortgage Loan,

(7) have a remaining term to maturity not greater than (and not more than one year less than) that of the Deleted Mortgage Loan, and

(8) comply with all of the representations and warranties set forth in the Sale and Servicing Agreement as of the date of substitution.

This cure, repurchase or substitution obligation constitutes the sole remedy available to the noteholders, the Indenture Trustee, the issuing entity or the Depositor for omission of, or a material defect in, a Mortgage Loan document.

[Pre-Funding]

On the Closing Date, the Depositor may elect to deposit an amount of up to 25% of the initial Note Principal Balance of the Offered Notes (the "Pre-Funded Amount") in a pre-funding account (the "Pre-Funding Account") established and maintained by the Indenture Trustee on behalf of the noteholders. The Pre-Funded Amount will be allocated between the Loan Groups so that the amount allocated to any Loan Group will not exceed 25% of the initial Note Principal Balance of the Notes related to the Loan Group. Any investment income earned from amounts in the Pre-Funding Account, if any, will be paid to the Countrywide Home Loans, and will not be

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available for payments on the Notes. If the Depositor elects to deposit the Pre-Funded Amount in the Pre-Funding Account, during the period from the Closing Date until the earlier of (x) the date the amount in the Pre-Funding Account is less than $[ ] and (y) [ ] 200[(the "Funding Period"), the Depositor will be expected to purchase additional mortgage loans originated or purchased by a Seller (the "Subsequent Mortgage Loans") from a Seller and sell the Subsequent Mortgage Loans to the issuing entity as described below. The purchase price for each Subsequent Mortgage Loan will equal the Stated Principal Balance of the Subsequent Mortgage Loan as of the later of (x) the first day of the month of the related Subsequent Transfer Date and (y) the origination date of that Subsequent Mortgage Loan (the related "Subsequent Cut-off Date") and will be paid from the Pre-Funding Account. Accordingly, the purchase of Subsequent Mortgage Loans will decrease the amount on deposit in the Pre-Funding Account and increase the Stated Principal Balance of the Mortgage Pool.

Pursuant to the Sale and Servicing Agreement [and a Subsequent